

APPENDIX H

THE CALIFORNIA ENERGY COMMISSION'S

COMMENTS ON

THE U.S. ENVIRONMENTAL PROTECTION AGENCY'S PROPOSED

NATIONAL AMBIENT AIR QUALITY STANDARDS

FOR PARTICULATE MATTER AND OZONE

March 7, 1997

Mr. John D. Dunlap, III, Chairman
California Air Resources Board
2020 L Street
Sacramento, CA 95814

Dear Chairman:

As you are well aware, the deadline for submitting California's comments on the EPA's proposed revisions to federal ozone and particulate matter (PM) standards is rapidly approaching. Although the Energy Commission (Commission) has no formal role in developing air regulatory requirements, as the Acting Chair, I do want to bring to your attention one important arena in which we are likely to be affected by the proposed standards: power plant siting.

The Commission is responsible for siting all thermal electric power plants 50 megawatts or larger. We have approved 46 plants, and as the state siting authority we have also acted as the lead agency under the California Environmental Quality Act. In this capacity, the Commission must, prior to issuing a power plant license, fully address, with the assistance of the local air district, the environmental impacts of all aspects of a project. We must also make specific findings regarding the mitigation or avoidance of any significant air quality impacts identified. Given the complexities and dynamics of the relationship between ambient air quality conditions and individual sources of emissions, and the concerns of local citizens, it has been a challenge to fully address project-related air quality impacts.

In recent cases over which I have presided, such as the San Francisco Energy Company and Crockett projects, resolution of issues related to PM10 emissions, mitigation and attainment strategies has been particularly contentious. I know that similar issues were raised in the SMUD Sacramento projects. Based upon this experience, and discussions with Commission and California Air Resources Board (Board) staff, I have concluded that addition of a federal PM2.5 standard will surely increase the level of complexity, and most probably the contention we will face in future siting cases on air quality issues. Further, I believe this to be a timely consideration since the "restructured electric future" promises to bring us a substantial number of power plant cases in the relatively near future.

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Having said this, I should quickly emphasize that our purpose is not to second-guess or enter the public health debate regarding appropriate ambient air quality standards. Moreover, we recognize and appreciate the significant efforts and responsibilities of the U.S. Environmental Protection Agency (EPA) and the Board in adopting ambient air quality standards which are protective of public health.

We do, however, believe that it is critical that our respective agencies, and the districts, work closely together in developing the implementation strategies needed to comply with whatever federal standards are eventually approved. In fact, without these strategies in place, we cannot definitively state what the impacts on our siting process, and cases in particular, will be.

In closing, I would note that this exemplifies one of the many closely inter-related energy-air quality issues that our agencies have successfully coordinated over the past decade. I thank you for your cooperation and respectfully request you include these comments in your transmittal to the EPA.

Sincerely,

SALLY RAKOW
Acting Chair

cc: Commissioner Robert A. Laurie
Commissioner Michal C. Moore
Commissioner David A. Rohy
Commissioner Jananne Sharpless